

City of Milpitas
2006 State of the City Address
April 6, 2006
“Beyond the Horizon”

My colleagues on the City Council, other honorable elected officials, Milpitas residents, representatives of the Milpitas business community, friends, and guests. Good evening and thank you for joining me as we look back on our achievements this past year and turn our eyes toward the future, with our gaze traveling well beyond the horizon.

Thank you, Don, for your gracious introduction and for the many hours you spend earnestly working to the benefit of Milpitas with the Downtown Association, Rotary, and the Economic Development Commission.

Thank you also to Frank DeSmidt for giving the invocation this evening, to our color guard, Girl Scout Troop 1192, and to Trini Aolin for her beautiful rendition of the Star Spangled Banner.

Lastly, I am sincerely grateful to the Chamber of Commerce for, once again, sponsoring tonight's event. The Chamber is dedicated to Milpitas and works to promote and enhance the commercial, professional, economic and educational well being of our community.

Before I begin, I would like to recognize my distinguished colleagues on the City Council: Vice Mayor Armando Gomez, Councilmember Althea Polanski and Councilmember Debbie Giordano. I'd like to also recognize Councilmember Bob Livengood who was not able to make it. Thank you for being here this evening.

(Pause)

I would also like to recognize two of my strongest supporters, my wonderful wife, Susan, and our daughter, Irene. You are both very special to me and I greatly appreciate your support.

(Pause)

Milpitas is blessed with a beautiful community, caring residents and a wide array of reliable public services. Compared to other communities in California, we have a low crime rate, our housing is more affordable, our schools produce well-rounded top-ranked students and we provide a great inventory of jobs and industry for the region. And let's not forget our beautiful green foothills!

Because our local leaders look "beyond the horizon", Milpitas is positioned to enjoy unprecedented economic growth today. The Midtown Specific Plan has laid the groundwork for Milpitas' core and we are beginning to see the fruits of that with housing and industry sprouting up along Main Street and the light rail line. Our Redevelopment Agency has historically provided funding for a multitude of civic improvements including our new library. And this past year we began the work of organizing and strengthening our economic program to heighten Milpitas' image, provide services for workers and businesses and aggressively address municipal funding needs.

I'd like to share with you what Milpitas accomplished in 2005. Then I'd like to describe where we are going this year as we keep our eyes on the horizon – no, beyond the horizon – and work for posterity and the future of our community.

2005 had several milestones. The City Council adopted an Economic Development Plan and hired a manager to implement the plan and make it come to life. Addressing economic issues is essential to maintain Milpitas' economic vitality and competitiveness in the Silicon Valley region.

2005 was a significant year for the Midtown area. The City Council approved the schematic design of the new library. Three times the size of our current building, the new library will incorporate the old grammar school at Main and Weller Streets. The integrity of the historic building will be respected and retained while providing a modern new library for our citizens and visitors.

Also in the Midtown area, the City Council approved a Precise Plan concept for a large area surrounding the future BART station.

Called the Midtown Transit Area Plan, it was conceived with the collaboration of property owners and land developers. The Plan will provide a detailed outline of how the Transit Area will evolve. It will provide mixed use commercial and increased housing as industrial land is redeveloped to residential in new higher densities to meet the urgent demand for housing with access to public transit.

2005, of course, was about much more than simply land development projects. As always, Milpitas continued to provide excellent public services to our residents and businesses. We did this even as we were tightening our belts with fewer resources and fewer employees. Listen to some of our accomplishments in 2005:

- The library was re-opened on Mondays and 13 additional hours per week were funded. In 2005 over 2 million books and tapes were borrowed;

- A new Raise-a-Reader program for pre-schoolers was initiated in cooperation with the school district;
- Attendance at the Teen Center more than doubled;
- New significant funding was authorized to support our local arts community;
- Membership at the Sports Center grew by 20 percent to over 7,500 members;
- In partnership with the Valley Water District, two major creek trails, the Berryessa and Coyote Creek Trails, completed construction and were opened for public use; and,
- 47 residents were trained for the disaster-preparedness SAFE program. And as a reminder, SAFE stands for Strategic Actions For Emergencies.

Now, here we are, today, in 2006. The City Council and I face difficult decisions about our operating budget for the next fiscal year. Though we were much more fortunate than other public agencies during these economically uncertain times, and have not had to significantly cut services or endure layoffs, we are now facing a short fall of \$6.5 million. Unfortunately, the time has come to make some cuts. We're asking you, the residents and business people of Milpitas, to help us. Next Monday evening, we will hold meetings at four different locations throughout the City. We will give you the opportunity to advise us and prioritize optional services and programs. It is critically important that you attend and let us know what is important to you!

Though we will need to make some service cuts to select programs, I believe we will continue to provide quality public services with an eye on continuous improvement and planning for the future.

For instance, recently you may have heard in news reports that Milpitas is going wireless. This means that Milpitas consumers will have more choices for Internet service, which may translate to lower prices in the long run. In fact, later this month, the City Council will consider the possibility of having a second major wireless provider operating in Milpitas!

And while we are talking technology, the City recently received grant funds for a public access television studio right here in City Hall. By the end of 2006, the studio should be operating and will be available for recording and broadcasting community-based television programs.

Another significant new service change for many Milpitas residents just occurred three weeks ago. Like many of you, my wife, Susan, and I began using a convenient wheeled cart to toss all our recyclables into. No more sorting, no more hauling three clumsy bins to the curb on collection day! It's so much easier to recycle now!

This year we will continue working on various projects that are eagerly anticipated by our residents. For the new library project, for instance, we will award the construction contract, finish undergrounding the utilities, and break ground for the library garage. Across the street, the senior housing project, "De Vries Place", will also begin construction.

A major feature of the Midtown Plan is providing new housing to meet regional and local demand for workers to live. Already we are enjoying the benefits of new housing that was recently built around the Great Mall and light rail station. There's a new energy in the area as additional residents support local businesses and create activity. These dynamics will continue to multiply in the future as close to 1,000 homes are currently under construction and another 1,000 are in the planning stages for the south Midtown Area.

Not many first-time homebuyers, however, can afford new homes. That's why the City Council and I are dedicated to providing affordable housing units, with long-term sales restriction agreements, to qualified lower income buyers. Already we have provided over 700 affordable homes in new developments. Within the next two years, our affordable housing inventory will exceed 1,200 units.

Although much has been accomplished and will be accomplished, I am deeply concerned with four matters of importance to the citizens and businesses of Milpitas.

First, I am concerned with the long term financial health of this city. In addition to our operating budget funding concerns that I described earlier, we are facing a critical shortage of funds to pay for public employee retirement in the future. We have not reached a labor contract agreement with the police and fire unions, and the projected costs for the long term will require this city to re-evaluate its ability to pay these costs beginning in the next few years.

Second, I am concerned that we have not had a permanent City Manager. I'd like to thank former Police Chief Charlie Lawson for his service as the interim city manager. Mr. Lawson has kept our city's day-to-day operations running smoothly during this transition period. As you know, our city is organized as a General Law city with a "strong City Manager" and the city council serves as the "board of directors". Without a permanent City Manager we are not receiving the management and leadership required to meet our city's current and future challenges. Also, we do not have a permanent police chief or a human resources director. These positions should be filled by a permanent city manager. While I look forward to welcoming a new city manager later this year, I want to ensure we find a city manager who will fit the mold of a strong executive working for the people of Milpitas.

Third, I am concerned that we have not moved forward with ethics in our government. We began an excellent program in 2004 to bring ethics to our city council and to senior city employees.

Unfortunately, the program was not supported by a majority of the city council and I am deeply disappointed that the teeth in the program were removed, the training was eliminated, and the public education was deleted.

Fourth, efforts to control special interests and lobbyists were eliminated from the ethics ordinance. Our city is undergoing a major change as we develop our last pieces of open land in the city, as we deal with the implementation of BART, and as we learn about attempts to develop our beautiful hillsides. The citizens of Milpitas must become more aware of what these special interests are trying to do to our city.

While I might sound pessimistic about the future, I'd like to conclude tonight with the optimistic words of former President Bill Clinton,

“We should, all of us, be filled with gratitude and humility for our present progress and prosperity. We should be filled with awe and joy at what lies over the horizon. And we should be filled with absolute determination to make the most of it.”

I strongly believe we have a challenging year, and years, ahead of us. Let's work together and never forget to keep in mind that our efforts and actions contribute to the world our children will inherit. Let's keep our eyes on, and beyond, the horizon!

Thank you for your attention. Good evening. May God bless us all.